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County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA
Chief Executive Officer

Board of Supervisors
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Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

April 9, 2013

To: Supervisor Mark Ridley-Thomas, Chairman
Supervisor Gloria Molina
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

A handwritten signature in black ink, appearing to read "W. T. Fujioka", is written over the printed name and title.

REPORT ON ACTIONS TAKEN IN RESPONSE TO COMPLAINTS REGARDING MATERNITY HOTELS (ITEM NO. 4, AGENDA OF FEBRUARY 5, 2013)

On February 5, 2013, the Board recommended the following actions regarding Maternity Hotels:

1. Approve the recommendations provided by the Director of Planning dated January 14, 2013, for the continued investigation of public complaints regarding Postpartum Recovery Homes known as "Maternity Hotels";
2. Direct the Chief Executive Officer to take the lead in facilitating the multi-agency inspections with the Departments of Regional Planning, Public Works, Public Health, Children and Family Services, Public Social Services, Fire, Sheriff, Registrar-Recorder/County Clerk, District Attorney, Franchise Tax Board, Employment Development Department (EDD), and any other County Departments, as necessary;
3. Direct County Counsel, in consultation with the Director of Planning, and appropriate community stakeholders to define the use and draft a proposed ordinance for consideration by the Board and provide a recommendation by the Regional Planning Commission to appropriately regulate the use of Maternity Hotels through zoning regulations to ensure the public's health, safety, and welfare;

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4. Direct the Chief Executive Officer to identify additional funding to assist the multi-agency inspectors with additional staff and Mandarin/Cantonese translators to communicate with occupants at these Maternity Hotels; and
5. Direct the Chief Executive Officer to provide a report to the Board in 60 days and quarterly thereafter, on the progress of the cases.

Multi-Agency Inspections

Prior to the coordinated County multi-agency team effort, the Department of Regional Planning (DRP) began conducting inspections in January 2013 of alleged Maternity Hotels in response to complaints from the public. Pursuant to the February 5, 2013 Board motion, the Chief Executive Office (CEO) facilitated multi-agency inspections involving DRP, Public Works (DPW), Public Health (DPH), Fire, the District Attorney (DA), and Treasurer and Tax Collector (TTC). As the lead department for coordinating site visits, DRP has maintained a centralized log for each complaint that includes each department's inspection status and updates.

DRP has received complaints for 74 alleged Maternity Hotel operations as of March 29, 2013. DRP attempted 66 inspections, and was able to obtain consent and gain access to complete 42 inspections. Of the 42 locations inspected, 16, or 38 percent, were cited for operating a boarding house in violation of Title 22 of the Los Angeles County Code (Planning and Zoning Code). DRP also intends to inspect the remaining eight locations, at which no inspection has yet been attempted by May 30, 2013.

Attachment I includes the status charts of inspections for DRP, DPW, DPH, Fire, and TTC. Attachment II provides County departmental, State Franchise Tax Board, State Employment Development Department, and Federal Internal Revenue Service reports related to the Board motion.

Proposed Draft Ordinance

In response to the Board's February 5, 2013 motion, DRP, with the advice and analysis from County Counsel, has been conducting background research regarding the appropriate types of regulations or other amendments to the Planning and Zoning Code that could be used to regulate the use of Maternity Hotels. In addition, DRP is currently in the process of evaluating the information from the outcomes of its inspections of alleged Maternity Hotel operations, which will assist DRP with drafting an appropriate ordinance.

The information being considered includes, but is not limited to: 1) what zones the uses are being conducted in; 2) what types of structures are most likely to contain the uses (e.g., single-family residences, apartment buildings, hotels, etc.); 3) what is the approximate number of occupants; 4) whether or not infants and young children are present at the locations; 5) what kinds of services, including medical services, are being provided to occupants; and 6) what is the impact of the use on infrastructure such as sewer, water, and local streets. Since the majority of the locations are within single-family residential neighborhoods, the ordinance preparation will focus on addressing impacts to such neighborhoods.

DRP anticipates that their inspections will be completed by May 30, 2013, and the Department will have an update on the preparation of an ordinance by the July 2013 quarterly report.

Translators for Multi-Agency Inspections

The Board expressed a concern that a language barrier was inhibiting inspections of alleged Maternity Hotels. The DA has since dedicated a Mandarin-speaking investigator, and an additional investigator, to accompany the multi-agency team on all inspections. The participation of bilingual staff has been an invaluable tool and has greatly improved communication with tenants, assisted in gaining consent to inspect residences and obtaining the necessary information needed to investigate building and safety hazards, and allowed investigators to check on the welfare of the occupants of suspected locations.

The multi-agency team members report, however, that occupants of alleged Maternity Hotels are becoming well versed on how to interact with local code enforcement inspectors, which includes denying access for inspection. Many occupants provide answers to questions that will not single out expectant mothers suspected of being tenants, and instead report they are family members to circumvent the boarding house regulations.

The services provided by a dedicated multi-lingual DA Investigator has enhanced communication between tenants and the multi-agency team, therefore, the CEO does not recommend additional funding for translation services at this time.

Conclusion

As requested in the Board motion, the CEO will provide a quarterly report on the progress of the cases, an update on the proposed draft ordinance, and any other pertinent information related to this issue. The multi-agency team is committed to

Each Supervisor
April 9, 2013
Page 4

investigate all complaint locations reported as Maternity Hotels. The intent of the multi-agency team is to gain access to all reported Maternity Hotels for a comprehensive inspection. Cases will only be closed upon the determination by participants of the multi-agency team that there is adherence to all County Codes. The next Maternity Hotel quarterly report will be submitted to the Board on July 5, 2013.

If you have any questions, please contact Rita Robinson at (213) 893-2477, or via email at rrobinson@ceo.lacounty.gov.

WTF:RLR:DSP
TH:acn

Attachments

c: Executive Office, Board of Supervisors
County Counsel
Children and Family Services
District Attorney
Fire
Public Health
Public Social Services
Public Works
Regional Planning
Registrar-Recorder/County Clerk
Sheriff
Federal Franchise Tax Board, Criminal Investigation Bureau
State Employment Development Department, Tax Branch Field Audit
and Compliance Division
State Internal Revenue Service, Identity Theft and Economic Crime
Task Force Branch

**Status of Inspections as of March 29, 2013
Regional Planning**

Location	Complaints	Attempted Inspections	Actual Inspections	No Access onto Property	Pending Inspections	Maternity Hotel Operation Confirmed
Rowland Heights	59	55	34	21	4	13
Hacienda Heights	11	9	8	1	2	3
East Pasadena/ East San Gabriel	1	0	0	0	1	0
South San Jose Hills/Valinda	3	2	0	2	1	0
Total	74	66	42	24	8	16

Department of Public Works-Building and Safety

Location	Complaints	Attempted Inspections	Actual Inspections	No Access onto Property	Pending Inspections*	Notices of Violation Issued
Rowland Heights	59	30	29	10	29*	15
Hacienda Heights	11	5	4	1	6*	4
East Pasadena East San Gabriel	1	0	0	0	1*	0
South San Jose Hills/Valinda	3	0	0	0	3*	0
Total	74	35	24	11	39*	19

* DPW-Building and Safety began participating on the multi-agency team as of 1/24/2013. Inspections by Regional Planning were already underway prior to the multi-agency team formation.

Department of Public Health-Environmental Health

Location	Complaints	Attempted Inspections	Actual Inspections	No Access onto Property	Pending Inspections	Notices of Violation Issued**
Rowland Heights	59*	23	10	13	36	13
Hacienda Heights	11	0	0	0	11	0
East Pasadena/ East San Gabriel	1	0	0	0	1	0
South San Jose Hills/Valinda	3	0	0	0	3	0
Total	74*	23	10	13	51	13

* Environmental Health began participating on the multi-agency team as of 2/26/13.

** Some properties received multiple Notices of Violation where the master lessee was identified along with the property owner. A single notice was also issued for a green pool at a property with no one at home.

Los Angeles County Fire Department

Location	Complaints	Attempted Inspections	Actual Inspections	No Access onto Property	Pending Inspections	Notices of Violation Issued
Rowland Heights	59	34	10	24	25	10
Hacienda Heights	11	1	1	0	10	1
East Pasadena/ East San Gabriel	1	0	0	0	1	0
South San Jose Hills/Valinda	3	0	0	0	3	0
Total	74	35	11	24	39	11

Treasurer and Tax Collector

Location	Complaints	Attempted Inspections	Actual Inspections	No Access onto Property	Pending Inspections	Notices of Violation Issued
Rowland Heights	59	37	21	16	22	9
Hacienda Heights	11	1	1	0	10	1
East Pasadena/ East San Gabriel	1	0	0	0	1	0
South San Jose Hills/Valinda	3	0	0	0	3	0
Total	74	38	22	16	36	10

The following definitions were used to describe each of the inspection categories:

- **Complaints:** Total number of complaints as reported by Regional Planning.
- **Attempted Inspections:** Number of locations visited by each department whether or not access was granted.
- **Actual Inspections:** Number of locations where each department gained access and inspections were conducted.
- **No Access onto Property:** Number of locations visited where access was denied or no one was at home.
- **Pending Inspections:** Number of locations departments have not visited.
- **Notices of Violation Issued:** Number of notices issued or mailed to a property owner and/or occupant.

DEPARTMENT REPORTS ON MATERNITY HOTELS

Specific findings reported by County departments and State and federal agencies are summarized as follows:

County Multi-Agency Code Enforcement Inspection Team

Department of Regional Planning (DRP)

DRP has attempted 66 inspections and completed 42 inspections in response to complaints related to 74 Maternity Hotel locations. The Department has issued 16 citations at locations where boarding home regulations were violated. As there is not a classification specific to Maternity Hotels, DRP classifies this use as a boarding home where a single-family residence includes five or more individuals renting rooms. The majority of the complaint locations where Maternity Hotels have been confirmed or suspected of operating are single-family residences within the R-1, R-A, RPD, or A-1 zones where operating a boarding house is prohibited.

DRP Zoning Enforcement Inspectors reported that access to a property was most successful when a translator and one inspector made the initial contact. Staff observed that having a translator present increased the ability to obtain information, and access increased when the multi-agency team included only one inspector per agency.

DRP staff noted that the exteriors of the confirmed Maternity Hotels are generally well kept. The majority of property owners have not been present during inspections. Typically, DRP Inspectors make contact with an individual who acts as a caretaker of the property and when tenants are asked for identification, they provide a passport from outside of the United States. When asked if they are renting, tenants state that they are only visiting for a few days. Staff is generally able to identify the workers as they typically provide State or federal issued identification, (e.g., California Driver's License), as opposed to a foreign passport. DRP Inspectors noted unpermitted alterations to these homes for services such as cooking, laundry, or a nursery, or as living quarters for workers and/or caretakers who assist in operating the Maternity Hotels.

Pheasant Ridge

Pheasant Ridge is a 600+ unit apartment complex located in Rowland Heights, which has been the subject of numerous complaints of alleged Maternity Hotel operations. This location has also been the focus of media attention.

Findings include the illegal operation of a laundry and food preparation facilities, which are both indicative of Maternity Hotel operations. Evidence of nursery type operations was also confirmed. Based on complaints, DRP has inspected 18 units located within this parcel. Upon re-inspection by DRP, all violations had been abated, but there are reports that Maternity Hotel operations move from location to location within the complex. DRP will continue to conduct inspections upon the receipt of complaints at this location.

Additionally, DRP cited nine locations for violations, such as garage conversions or unpermitted second units, at properties that were not categorized as Maternity Hotels.

Department of Public Works (DPW)

DPW-Building and Safety Division attempted joint inspections of 35 locations of alleged Maternity Hotels as part of the County multi-agency team. DPW was granted access to 24 properties, resulting in 19 notices of building code violations being issued. Twelve of these 19 notices were at addresses being further pursued as potential Maternity Hotels. Of the 12 locations where access was granted and a Maternity Hotel operation was confirmed, the following types of code violations were observed, and Notices of Violations (NOV) were issued accordingly:

- Garage conversion to living quarters without permits or any prior approval.
- Unpermitted alterations of interior space creating bedrooms without permits or any prior approval.
- Unpermitted additions made to the main dwelling.
- Detached structures, mostly unpermitted, being used as a second unit for habitable purposes.
- Missing required smoke detectors from bedrooms, hallways, and other required areas.
- Multiple kitchens within the dwelling without plumbing permits or approvals from DRP.
- Unpermitted exterior plumbing and electrical work for clothes washers/dryers located on the outside of the residence.

Whenever a code violation was detected, DPW issued a NOV to the occupants of the residence indicating the type of violation(s) and requested that violations be abated. Notices indicated that approvals may be required from other agencies, whenever applicable, prior to approving any future permits. When a DPW Inspector encountered

occupants who refused to accept violation notices, the notice was mailed to the property owner. As a result of issuing notices, eight property owners responded by visiting the La Puente Building and Safety Office to obtain more information regarding bringing the subject property into compliance. For cases where there has not been a response to the NOV by the property owner, a code enforcement case has been initiated. DPW inspections also revealed violations of County building codes at several sites that were not confirmed as operating a Maternity Hotel.

Department of Public Health (DPH)

DPH-Environmental Health (EH) Inspectors have attempted investigations of 23 locations with the multi-agency team in response to alleged Maternity Hotel complaints. During DPH's inspections, particular attention was paid to issues which may pose a threat to the public's health or safety such as: sanitation, sewage, refuse, illegal food service, and vermin. DPH was granted access to ten properties and based on these inspections; all ten were found operating as boarding homes.

DPH defines a boarding home as five or more unrelated occupants where sleeping or rooming accommodations are provided. No adverse public health conditions were present at these locations. Thirteen NOVs were issued, which include ten to the property owners to discontinue operations as a boarding home; and three NOVs were also issued to master lessees who were present within these same locations. Additionally, at one property that was not operating as a boarding home, DPH issued an NOV to the property owner to mitigate a hazardous green swimming pool. A referral was also issued to the local mosquito abatement agency indicating the potential for mosquito breeding.

Fire Department

The Fire Department has attempted inspections at 35 locations and gained access to 11 locations as a participant of the multi-agency team inspections. Fire Department Inspectors have issued 11 NOVs that require a corrective action of observed fire code violations. Violations that have been found to date include:

- Disabling or removing smoke alarms.
- Illegal use of extension cords where permanent wiring should be installed.
- Failure to provide combustible clearance from a fireplace chimney (for locations in the high fire hazard areas).
- Failure to provide a pool heater exhaust vent.

Also, some of the residences, where the Fire Department was granted permission to conduct inspections, appear to have created illegal additions to create bedrooms, such as the installation of unapproved partition walls. Of these bedrooms, many have been equipped with door hardware that has a keyed lock which could prevent immediate access and exit through the common area of the house in the event of an emergency.

Treasurer and Tax Collector (TTC)

The Business and Public Health License Section of TTC is responsible for the issuance of business licenses for businesses operating within the unincorporated areas of the County. As part of the multi-agency team, TTC attempted 38 inspections of alleged Maternity Hotels and gained access to 22 locations.

TTC confirmed that ten of the locations inspected were operating as boarding homes without a business license. Under Title 7, Section 7.50.010, of the Los Angeles County Code, a boarding home is defined as sleeping and living accommodations for five or more persons unrelated to the operator. The ten operators were issued NOVs and advised to cease operations until they met the required zoning requirements and obtained a Business License. As of March 28, 2013, five of the ten operators cited responded to the NOVs issued and were referred to DRP for zoning review. TTC will follow-up with the remaining five operators to ensure compliance with Business License requirements and continue to participate with the multi-agency team until all locations have been inspected.

District Attorney (DA)

The DA-Bureau of Investigations Division, has assigned two investigators to participate in the multi-agency team investigations. One of the investigators is bilingual and assists with communicating with occupants of alleged Maternity Hotels and will be available to the team throughout the duration of these investigations. The DA Investigators are dressed in plainclothes, which has proven successful in gaining the cooperation of the occupants of suspected locations. DA Investigators are capable of handling law enforcement related duties, which frees up local law enforcement resources (Sheriff's Department). There are no cases that warrant filing through the DA's Office at this time. The DA's Office will continue to dedicate two DA Investigators, one of which is fluent in Mandarin, to accompany the multi-agency team on all inspections.

Other County Department Inspections and Reports**Department of Children and Family Services (DCFS)**

DCFS assigned the Multi-Agency Response Team (MART) and the Asian Pacific Islander Unit (APIU) to collaborate as a task force when responding to referrals of suspected Maternity Hotels. The role of DCFS is to assess and determine if any children in the home are at risk of abuse or neglect. The APIU includes multi-lingual Children Social Workers who provide translation and accompany MART on all of the investigations regarding Maternity Hotel locations.

Unincorporated Areas

The DCFS task force responded to eight referrals of alleged Maternity Hotels that were received for five addresses located in the unincorporated areas of La Puente (South San Jose Hills/Valinda) and Rowland Heights. An assessment of each of the families was conducted and DCFS staff did not find any signs of abuse or neglect. The DCFS task force findings are as follows:

- South San Jose Hills/Valinda: DCFS conducted six investigations for three locations. A total of six infants were found residing between these locations. Duplicate referrals received for two of the three locations warranted a separate investigation and report.
- Rowland Heights: DCFS conducted two investigations after receiving two referrals for two locations. A total of two infants were found residing between these locations.

DCFS will investigate the 16 confirmed Maternity Hotels identified by the Multi-Agency Code Enforcement Inspection Team and any future confirmed locations identified by DRP. DCFS assessments will be included in the July 2013 quarterly report.

Cities

DCFS also received two referrals and completed two investigations for suspected Maternity Hotels operating in the Cities of Baldwin Park and San Gabriel where no abuse was found. There was one incident of child abandonment that was investigated by DCFS at Garfield Medical Center from a mother residing in a Maternity Hotel in the City of Monterey Park. The infant was diagnosed with Miller-Dieker syndrome (cleft palate and an under-developed brain). As a result, the Asian Pacific Islander unit placed this infant under protective custody.

Department of Public Social Services (DPSS)

DPSS researched the 16 addresses confirmed as operating Maternity Hotels to determine if any benefits issued by DPSS were obtained illegally. DPSS determined that there were Medi-Cal beneficiaries residing at four of the addresses. Based on eligibility criteria, which examines household composition, case comments, income limits, and residency, an assessment indicated that all aided individuals were found eligible to receive their assigned benefits and there was no clear evidence of fraud. DPSS will continue to research future addresses reported by DRP of confirmed Maternity Hotels to determine if eligibility requirements have been followed by the occupants.

Sheriff's Department

The Sheriff's Department participated in the initial inspection phase in response to Maternity Hotel complaints and did not observe any law enforcement related issues. While having uniform personnel at inspections brings an authoritative presence and may influence some residents to be more compliant with inspectors, it also alerts and/or frightens residents into becoming evasive with inspectors.

It has proven to be more effective to utilize non-uniformed DA Investigators as the law enforcement presence on multi-agency inspections. This allows for local Sheriff's Department resources to be utilized elsewhere, however, the Sheriff's Department will act as a support mechanism and respond when needed. Per DPR, the rate of access to inspect a property improved when the bilingual DA Investigator, along with one inspector, make the initial contact.

Registrar-Recorder/County Clerk (RR/CC)

RR/CC has reviewed the issues surrounding Maternity Hotels and determined that there is not a direct role with the on-site investigations at this time. RR/CC is available to research any companies operating within Los Angeles County to determine if a Fictitious Business Name application has been filed, however, the majority of these operations have been found to operate from outside of the country. In addition, there does not appear to be fraudulent activity surrounding the processing and application for birth certificates of newborns associated with the operation of Maternity Hotels.

Referrals to Other Agencies

DRP provided the following State and federal agencies with referrals in the form of a listing of all confirmed operations and relevant details of Maternity Hotels:

State Employment Development Department (EDD)

Locations of confirmed or suspected Maternity Hotels have been shared with the Employment Development Department's Tax Branch Field Audit and Compliance Division. The EDD investigates businesses that avoid paying payroll taxes, many of which are part of the underground economy. Due to the confidential nature of the EDD audits and investigations, they are unable to disclose the status of their tax enforcement cases.

State Franchise Tax Board (FTB)

Locations of confirmed or suspected Maternity Hotels have been shared with the Criminal Investigation Bureau of the FTB. A FTB staff member joined the multi-agency team on inspections of alleged Maternity Hotels at the Pheasant Ridge Apartment Complex in Rowland Heights. FTB investigates and prosecutes taxpayers who break State laws and enforce the criminal provisions of the State Revenue and Taxation Code. The focus of the Criminal Investigation Bureau is to identify individuals and/or corporations who fail to report income. Due to the confidential nature of the FTB investigations, they are unable to disclose the status of their investigations.

Federal Internal Revenue Service (IRS)

Locations of confirmed or suspected Maternity Hotels have been shared with the Identity Theft and Economic Crime Task Force Branch of the IRS. The focus of this Branch is to investigate criminal violations of the United States Tax Code and financial related crimes. A special agent from the Criminal Investigations Branch of the IRS met with the County's multi-agency team to discuss potential illegal activity and will evaluate the leads on these cases to determine if a civil and/or criminal investigation can be initiated. Due to the confidential nature of their findings, they are unable to disclose the status of their investigations until a case has been filed.



County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA
Chief Executive Officer

July 16, 2013

To: Supervisor Mark Ridley-Thomas, Chairman
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From: William T Fujioka
Chief Executive Officer

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SECOND QUARTERLY REPORT ON ACTIONS TAKEN IN RESPONSE TO COMPLAINTS REGARDING MATERNITY HOTELS (ITEM NO. 4, AGENDA OF FEBRUARY 5, 2013)

On February 5, 2013, the Board adopted the following recommendations:

1. Approve the recommendations provided by the Director of Planning dated January 14, 2013, for the continued investigation of public complaints regarding Postpartum Recovery Homes known as "Maternity Hotels";
2. Direct the Chief Executive Officer to take the lead in facilitating the multi-agency inspections with the Departments of Regional Planning, Public Works, Public Health, Children and Family Services, Public Social Services, Fire, Sheriff, Registrar-Recorder/County Clerk, District Attorney, Franchise Tax Board, Employment Development Department (EDD) and any other County Departments, as necessary;
3. Direct County Counsel, in consultation with the Director of Planning, and appropriate community stakeholders, to define the use and draft a proposed ordinance for consideration by the Board and provide a recommendation by the Regional Planning Commission to appropriately regulate the use of Maternity Hotels through zoning regulations to ensure the public's health, safety and welfare;
4. Direct the Chief Executive Officer to identify additional funding to assist the multi-agency inspectors with additional staff and Mandarin/Cantonese translators to communicate with occupants at these Maternity Hotels; and
5. Direct the Chief Executive Officer to provide a report to the Board in 60 days and quarterly thereafter, on the progress of the cases.

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Background

On February 5, 2013, the Board approved Recommendation No. 1. Also as instructed in Recommendations No. 2 and No. 5, on April 9, 2013, the Chief Executive Officer (CEO) submitted to the Board the first quarterly report regarding the multi-agency inspections. In follow-up to Board adopted Recommendation No. 4, the CEO reported that a Mandarin and Cantonese speaking District Attorney Investigator (DAI) was assigned to accompany the team on all investigations.

Multi-Agency Inspections

The County multi-agency team, coordinated by the CEO and led by the Department of Regional Planning (DRP), includes the Department of Public Works (DPW), the Department of Public Health (DPH), Fire, the District Attorney (DA), Treasurer and Tax Collector (TTC), and the Department of Children and Family Services. As the lead department for coordinating site visits, DRP has maintained a centralized log for each complaint that includes each department's inspection status and updates. A DAI has accompanied the multi-agency team on all investigations and serves as a Mandarin and Cantonese translator to communicate with occupants.

As of June 17, 2013, DRP has received complaints for 85 alleged Maternity Hotel operations. DRP attempted 82 inspections, and was able to obtain consent and gain access to complete 70 inspections. Twenty-four, or 34 percent, of the 70 locations inspected by DRP were confirmed as Maternity Hotels and were cited for operating a boarding house in violation of Title 22 of the Los Angeles County Code (Planning and Zoning). As of May 2013, DRP has received three new complaints, a significant decrease in the number of pending new investigations.

The multi-agency team has closed six, approximately 25 percent, of the 24 identified Maternity Hotel cases. There are 12 locations that DRP has not gained access to after three inspection attempts. DRP and County Counsel will meet to discuss next steps in addressing these 36 cases and any other new cases that are verified as Maternity Hotels during the next reporting period.

Attachment I includes the inspection status charts for DRP, DPW, DPH, Fire, and TTC. Attachment II provides detailed County departmental and outside agency reports related to the Board motion.

Draft Ordinance

Based on the inspections conducted to date, Maternity Hotels are primarily located and operate in single-family residential neighborhoods. The County Zoning Ordinance does not allow boarding houses to operate in a single-family residential zone. Maternity Hotels fall under the definition of boarding houses. Therefore, DRP currently has the authority to issue notices of violation where Maternity Hotels are operating illegally. Additionally, the multi-agency inspection efforts, including a translator, have improved access and communication between County

Each Supervisor
July 16, 2013
Page 3

agencies and occupants. Based on these factors, DRP will continue to review and evaluate reported cases, and if determined necessary, as directed by the Board, County Counsel, in consultation with the Director of Planning, will prepare a proposed ordinance for consideration by the Board.

Conclusion

The October 4, 2013 quarterly report will include: 1) updated multi-agency inspection reports on Maternity Hotel cases; and 2) recommendations regarding a proposed ordinance.

If you have any questions, please contact Rita Robinson at (213) 893-2477, or via email at rrobinson@ceo.lacounty.gov.

WTF:RLR
DSP:TH:os

Attachments (2)

c: Executive Office, Board of Supervisors
County Counsel
Children and Family Services
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Regional Planning
Registrar-Recorder/County Clerk
Sheriff
Treasurer and Tax Collector
Federal Franchise Tax Board, Criminal Investigation Bureau
State Employment Development Department, Tax Branch Field Audit
and Compliance Division

Status of Inspections as of June 17, 2013

Regional Planning

Location	Complaints	Attempted Inspections	Actual Inspections	Notices of Violation Issued	No Access onto Property	Pending Inspections	Maternity Hotel Confirmed	Maternity Hotel Cases Pending	Maternity Hotel Cases Closed	Overall Cases Closed
Rowland Heights	69	66	55	21	11	3	18	15	3	35
Hacienda Heights	12	12	12	5	0	0	6	3	3	9
East Pasadena/ East San Gabriel	1	1	1	0	0	0	0	0	0	1
South San Jose Hills/ Valinda	3	3	2	0	1	0	0	0	0	1
Total	85	82	70	26	12	3	24	18	6	46

The following definitions describe each of the inspection categories:

- * **Complaints:** Total number of complaints as reported by Regional Planning.
- * **Attempted Inspections:** Number of locations visited by department whether or not access was granted. This does not include number of follow-up visits.
- * **Actual Inspections:** Number of locations visited where access was granted. This also includes instances where the lead inspector entered the property and indicated to multi-agency team members that an inspection by the whole team was not warranted.
- * **Notices of Violation Issued:** Overall number of notices issued or mailed to a property owner and/or occupant. This includes notices issued for Maternity Hotels, and other locations investigated where unpermitted uses were observed. A single property may be cited for multiple violations.
- * **No Access onto Property:** Number of locations visited where access was denied or no one was at home.
- * **Pending Inspections:** Number of locations departments have not visited.
- * **Maternity Hotel Confirmed:** Number of locations where access was granted and a Maternity Hotel was confirmed as operating.
- * **Maternity Hotel Cases Pending (open):** Number of cases where a Maternity Hotel was confirmed and the case remains open.
- * **Maternity Hotel Cases Closed:** Locations where a case was opened and Maternity Hotel operations ceased, the property was brought into compliance, or the property was vacated.
- * **Overall Cases Closed:** Includes locations that upon inspection, no code violations were observed and locations (Maternity Hotels and non-Maternity Hotels), where a case was opened (including Maternity Hotels) and upon inspection the violations were corrected.

Department of Public Works-Building and Safety

Location	Complaints	Attempted Inspections	Actual Inspections	Notices of Violation Issued	No Access onto Property*	Pending Inspections	Maternity Hotel Confirmed	Maternity Hotel Cases Pending	Maternity Hotel Cases Closed	Overall Cases Closed
Rowland Heights	69	61	43	22	18	8	18	15	3	22
Hacienda Heights	12	12	10	5	2	0	6	3	3	7
East Pasadena/ East San Gabriel	1	1	1	0	0	0	0	0	0	1
South San Jose Hills/ Valinda	3	3	1	1	2	0	0	0	0	1
Total	85	77	55	28	22*	8	24	18	6	31

* Some No Access onto Property: Based on DRP's reporting, 12 of the 22 properties need to be verified as to whether or not they are Maternity Hotels. The remaining 10 properties that DPW could not gain access to are not Maternity Hotels.

Department of Public Health-Environmental Health

Location	Complaints	Attempted Inspections	Actual Inspections	Notices of Violation Issued*	No Access onto Property	Pending Inspections	Maternity Hotel Confirmed	Maternity Hotel Cases Pending	Maternity Hotel Cases Closed	Overall Cases Closed**
Rowland Heights	69	66	55	25	11	3	18	15	3	39
Hacienda Heights	12	11	11	3	0	1	6	3	3	8
East Pasadena/ East San Gabriel	1	1	1	0	0	0	0	0	0	1
South San Jose Hills/ Valinda	3	3	2	0	1	0	0	0	0	1
Total	85	81	69	28*	12	4	24	18	6	49**

* Some properties received multiple Notices of Violation (NOVs) where the master lessee was identified as the responsible party along with the property owner. Six of the 28 NOVs issued pertain to non-Maternity Hotel locations: three for green pools, one for liquid waste discharge, and two for licensed hotel operation inspections.

** Includes cases closed for four properties with non-Maternity Hotel violations (e.g., green pool, liquid waste discharge, and food safety).

Los Angeles County Fire Department

Location	Complaints	Attempted Inspections	Actual Inspections	Notices of Violation Issued (Verbal Warnings)*	No Access onto Property	Pending Inspections	Maternity Hotel Confirmed	Maternity Hotel Cases Pending**	Maternity Hotel Cases Closed***	Overall Cases Closed***
Rowland Heights	69	66	55	12	11	3	18	0	0	0
Hacienda Heights	12	12	12	5	0	0	6	0	0	0
East Pasadena/ East San Gabriel	1*	1	1	0	0	0	0	0	0	0
South San Jose Hills/ Valinda	3	3	2	1	1	0	0	0	0	0
Total	85	82	70	18*	12	3	24	0**	0***	0***

* These numbers indicate verbal warnings at locations of confirmed Maternity Hotels.

** The Fire Department does not issue Notices of Violations at single family dwellings except new construction. Therefore no cases were opened.

*** Routine inspections are not required by the Fire Department at single-family dwellings except new construction; therefore, no cases were opened or closed.

Treasurer and Tax Collector

Location	Complaints	Attempted Inspections	Actual Inspections	Notices of Violation Issued	No Access onto Property*	Pending Inspections	Maternity Hotel Confirmed	Maternity Hotel Cases Pending	Maternity Hotel Cases Closed	Overall Cases Closed
Rowland Heights	69	66	50	18	16	3	18	15	3	32
Hacienda Heights	12	12	12	6	0	0	6	3	3	6
East Pasadena/ East San Gabriel	1	1	1	0	0	0	0	0	0	1
South San Jose Hills/ Valinda	3	3	2	0	1	0	0	0	0	2
Total	85	82	65	24	17*	3	24	18	6	41

* No Access onto Property: Based on DRP's reporting, 12 of the 17 properties need to be verified as to whether or not they are Maternity Hotels. The remaining 5 properties that T&TC could not gain access to are not Maternity Hotels.

COUNTY DEPARTMENT REPORTS ON MATERNITY HOTELS

Specific findings reported by participating County departments and other agencies are summarized as follows:

County Multi-Agency Code Enforcement Inspection Team

Department of Regional Planning (DRP)

DRP has received complaints regarding 85 locations of alleged Maternity Hotels operating within the County unincorporated areas. As of May 2013, DRP has only received three new complaints, a significant decrease in the number of pending new investigations. To date, DRP has attempted to inspect 82 properties and has gained access to 70 properties.

As there is no land use classification specific to Maternity Hotels, DRP classifies this use as a boarding house which is defined as a single-family residence wherein rooms are rented to five or more individuals. A majority of the locations inspected, 78 of the 82, are single-family residences located in single family residential zones (including R-1, R-A, RPD, and A-1 zones) where boarding houses are prohibited. The remaining four complaint locations are located in zones that allow boarding houses (i.e., hotels, apartments).

DRP investigations identified 24 locations operating as Maternity Hotels in violation of the boarding house prohibition set forth in Title 22 of the Los Angeles County Code (Zoning Code). Six Maternity Hotel locations have ceased operations and those cases have been closed.

There are 18 Maternity Hotel cases pending and 12 locations that DRP has not gained access. DRP has closed 46 enforcement cases including six Maternity Hotels and 40 non-Maternity Hotel locations. DRP confirmed that 11 of the 40 non-Maternity Hotel cases had zoning violations such as garage conversions or unpermitted second units. Subsequent re-inspections disclosed that violations were corrected at five of those locations. Currently, the six remaining non-Maternity Hotel locations have 26 outstanding violations and will be referred to the respective zoning enforcement investigator for follow-up.

DRP has not received any further complaints involving the Pheasant Ridge apartment complex located in Rowland Heights which had been the focus of media attention and subject of previous complaints.

Department of Public Works (DPW)

Out of the 85 total complaints received of alleged Maternity Hotel operations, DPW attempted inspections at 77 locations, conducted actual inspections at 55 locations, and issued 28 Notices of Violations (NOVs). Six of the 24 locations, where Maternity Hotel operations were confirmed, have ceased operation upon re-inspection. To date, 31 of the

overall closed cases include: 1) the six Maternity Hotels discussed above; and 2) 25 non-Maternity Hotel locations either with building, electrical, plumbing, and/or mechanical code violations that were cited and abated, or locations where no building, electrical, plumbing, and/or mechanical violations were identified. The following code violations were issued at locations confirmed as Maternity Hotels:

- Unpermitted room conversions and room additions; and,
- Unpermitted plumbing, electrical or mechanical work.

Whenever a building, electrical, plumbing, or mechanical code violation was detected, DPW issued a NOV to the occupants and property owners of the residence indicating the type of violations(s) and requested that the violations be abated. Notices indicated that approvals may be required from other agencies, whenever applicable prior to approving any future permits. DPW will continue to follow-up as a part of the coordinated multi-agency team for locations confirmed as Maternity Hotels until these cases are closed. In addition, the remaining non-Maternity Hotel cases solely involving building code violations will be pursued by DPW separately to mitigate the violations.

Department of Public Health (DPH)

DPH-Environmental Health (DPH-EH) inspectors attempted 81 investigations of alleged Maternity Hotel complaints with the multi-agency team. During DPH's inspections particular attention was paid to issues which may pose a threat to the public's health and safety such as: sanitation, sewage, refuse, illegal food service, and vermin. DPH-EH was granted access to 69 properties, which resulted in the issuance of 28 NOV's, including one Housing Official Inspection Report (HOIR) and one Food Official Inspection Report (FOIR). Twenty-four of the properties inspected by DPH were found to be operating as boarding houses or Maternity Hotels.

Per Los Angeles County Code (Title 11, Health and Safety Code), DPH defines a boarding house as five or more unrelated occupants where sleeping or rooming accommodations are provided. One of the 24 Maternity Hotel properties cited was also found to have an adverse health condition, green pool, present.

All 24 properties were cited as operating a boarding house without a valid Public Health License. Other code violations found at properties confirmed as Maternity Hotels and non-Maternity Hotels include:

- Unsafe/mosquito breeding conditions due to green pools;
- Discharge of liquid waste, grey water, onto ground surface; and
- Improper food storage, unclean food equipment, blocked access to the hand wash sink and risk of food contamination, (kitchen of licensed hotel only).

Whenever a code violation was detected, DPH-EH issued a NOV to the property owners and when applicable, to the master lessee requesting that all violations be abated. Additionally, in cases where mosquito breeding was detected referrals were sent to the local Mosquito Abatement District/Agency for follow-up. Six of the Maternity Hotel Cases have been closed.

One of the complaint locations investigated was a fully licensed hotel. The investigation of the hotel did not reveal any health code violations within the guest rooms and a HOIR was issued as required by Department policy for licensed facilities to document the inspection. However, inspection of the hotel kitchen revealed violations of the California Health and Safety Code that were documented on an FOIR issued to the hotel operator.

Fire Department

As a participant of the County multi-agency team, the Fire Department attempted joint inspections of 82 locations of alleged Maternity Hotels, and conducted actual inspections at 70 locations. In 35 instances, where access was granted and it was determined that a Maternity Hotel was not in operation by the lead agency, the inspector did not enter the property.

Routine inspections are not required within the Fire Code for single-family dwellings, except for new construction, which requires the installation of fire sprinklers and hard-wired smoke detection systems. Therefore, the Fire Department does not have the authority to issue NOVs to the property owners of single-family dwellings. For clarification, the Fire Department has not issued NOV's, but gave verbal warnings on past inspections. The Fire Departments' role as part of the multi-agency team has been that of an observer, and resulted in verbal warnings and recommendations to occupants of both Maternity Hotels and other properties investigated regarding the following concerns:

- Smoke detectors: Missing smoke detectors from bedrooms, hallways, and other areas were identified.
- Extension cords: Electric extension cords are to be used in a temporary nature only, not as a substitute for permanent wiring. Occupants observed to have electric cords providing power to additional refrigerator/freezers were asked to remove them.
- Fire extinguishers: Extinguishers are not required in a single-family dwelling; however, it appeared that in some confirmed Maternity Hotels, large scale cooking operations using cooking oils for meal preparation were occurring. Occupants were warned of the potential danger of a cooking/flash fire on the stove.

Occupants and responsible parties at ten locations responded to the Fire Departments verbal warnings and made corrections in the presence of the inspector. Three occupants have called the Fire Prevention Office in follow-up to the inspection for further instruction or explanation to ensure a safe environment. The Department is committed to participating as part of the multi-agency team until all properties have been investigated and/or re-inspected

and closed. The Fire Department will continue to identify and discuss with the occupants/owners, any potential fire safety hazards as they are observed.

Treasurer and Tax Collector (TTC)

The Business and Public Health License Section of TTC is responsible for the issuance of business licenses for businesses operating within the unincorporated areas of the County. As part of the multi-agency team, TTC attempted 82 inspections of alleged Maternity Hotels and gained access to 65 locations.

TTC identified 24 locations as confirmed Maternity Hotels operating as boarding houses without a Business License. Under Title 7, Section 7.50.010, of the Los Angeles County Code, a boarding house is defined as sleeping and living accommodations for five or more persons unrelated to the operator. The owners/occupants of the 24 properties illegally operating without a Business License were issued NOVs and advised to cease operations until they met the required zoning requirements and obtained a Business License.

As of June 17, 2013, six of the 24 operators were referred to DRP for zoning review and have ceased operations. TTC will follow-up with the remaining 18 locations to ensure compliance with Business License requirements and will continue to participate with the multi-agency team until all locations have been re-inspected and the cases are closed.

District Attorney (DA)

The DA-Bureau of Investigations Division has assigned two District Attorney Investigators (DAI) to participate in the multi-agency team investigations. One of the DAIs is a certified bilingual (Chinese) speaker, who speaks both Mandarin and Cantonese dialects fluently. The DAI assists with communicating with occupants of alleged Maternity Hotels and will be available to the team throughout the duration of these investigations. The DAIs are dressed in plainclothes, which has proven more successful in gaining the cooperation of the occupants of suspected locations. Accompanied with a Planning Inspector, the DAI makes the initial contact with the owner and/or tenants of the residence, often gaining cooperation due to their language skills.

DAIs are capable of handling any law enforcement related duties, which free up local law enforcement resources. DAIs have participated in the inspection of 82 locations and had contact with 69 Chinese speakers. Criminal activities were not observed during the inspections. There are no cases that warrant filing through the DA's Office at this time. The DAIs will be available to participate in any future and ongoing multi-agency team activities.

Other County Department Inspections and Reports**Department of Children and Family Services (DCFS)**

As of April 30, 2013, DCFS assigned a Multi-Agency Response Team (MART) Unit caseworker to accompany the multi-agency team in the weekly operations. A MART Unit caseworker met with the County multi-agency team beforehand and established the roles and parameters of DCFS' participation during these investigations. The multi-agency team was advised that in order for DCFS to initiate contact with occupants, it was required that suspected abuse, neglect, or endangerment of a child first be reported. It was subsequently decided that the DAI, as a mandated reporter, would determine if there was suspected child endangerment during the course of the investigations and, if so, the MART caseworker would be present to enter the home to conduct an investigation.

DCFS additionally conducted background searches on each of the alleged and confirmed Maternity Hotel locations prior to their involvement with the multi-agency investigations. There were no direct matches between any of the past locations and/or names of individuals within the DCFS system that raised child endangerment concerns. DCFS reviewed these locations with the members of the multi-agency team who provided input and collectively reported that no child endangerment factors were observed that would warrant a DCFS investigation. Therefore, no new investigations and/or referrals were generated based on past investigations.

During the week of June 4, 2013, one referral was generated at an alleged Maternity Hotel location in Rowland Heights that was visited by the DCFS multi-agency team. The home was later confirmed not to be a Maternity Hotel, but a private residence. The home was observed as having swimming pool maintenance issues, and since children were present a referral for "General Neglect" to DCFS was generated for continued monitoring of the home until the maintenance issues are resolved. Additionally, MART responded to a complaint regarding an alleged Maternity Hotel location in the City of Alhambra. A separate inspection team was assembled and the allegations were not founded.

DCFS will continue to participate in the task force and will utilize any needed resources during the course of this initiative.

Department of Public Social Services (DPSS)

DPSS researched the 24 addresses confirmed as operating Maternity Hotels to determine if any benefits issued by DPSS were obtained illegally. DPSS determined that there were Medi-Cal recipients residing at five of the Maternity Hotel addresses. Based on eligibility criteria, which examines household composition, case comments, income limits, and residency, an assessment indicated that all aided individuals were found eligible to receive their assigned benefits and there was no clear evidence of fraud. DPSS will continue to research future addresses reported by DRP of confirmed Maternity Hotels to determine if eligibility requirements have been followed by the occupants.

Sheriff's Department

The Sheriff's Department did not receive any calls for service, nor did any station personnel assist with investigations on Maternity Hotel related issues during this past quarter. It has proven to be more effective to utilize non-uniformed DAIs as the law enforcement presence on multi-agency inspections. This allows for Sheriff's Department resources to be utilized elsewhere. The Sheriff's Department is available to provide support and respond when needed.

Registrar-Recorder/County Clerk (RR/CC)

RR/CC has reviewed the issues surrounding Maternity Hotels and determined that there is not a direct role with the on-site investigations or fraud involving the processing and application of birth certificates of newborns associated with the operation of Maternity Hotels. It was determined that Maternity Hotel operations operate from outside of the country, therefore, a Fictitious Business Name application is not required by RR/CC.

Referrals to Other Agencies

Per the instructions within the motion, DRP has shared locations of confirmed Maternity Hotels and other relevant details, with other agencies such as the Criminal Investigation Bureau of the State Franchise Tax Board, the Tax Branch Field Audit and Compliance Division of the State Employment Development Department, the Identity Theft and Economic Crime Task Force Branch of the Federal Internal Revenue Service, and the Federal Bureau of Investigation. All of the above mentioned agencies report that due to the confidential nature of their reports, they are unable to disclose the status of their investigations. DRP will continue to share information with these agencies as it is obtained.



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WILLIAM T FUJIOKA
Chief Executive Officer

October 25, 2013

To: Supervisor Mark Ridley-Thomas, Chairman
Supervisor Gloria Molina
Supervisor Don Knabe
Supervisor Michael D. Antonovich
Supervisor Zev Yaroslavsky

From: William T Fujioka
Chief Executive Officer

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

FINAL REPORT ON ACTIONS TAKEN IN RESPONSE TO COMPLAINTS REGARDING MATERNITY HOTELS (ITEM NO. 4, AGENDA OF FEBRUARY 5, 2013)

On February 5, 2013, the Board directed the Chief Executive Officer (CEO) to initiate multi-agency inspections to address complaints regarding alleged Maternity Hotel operations. Per the Board order, quarterly reports were submitted to the Board on April 9 and July 16, 2013.

This final Board report addresses the following:

1. CEO's ongoing facilitation and outcomes of the multi-agency inspections with the Departments of Regional Planning (DRP), Public Works (DPW), Public Health (DPH), Children and Family Services (DCFS), Public Social Services (DPSS), Fire, Sheriff, Registrar-Recorder/County Clerk, District Attorney (DA), Franchise Tax Board, Employment Development Department (EDD), and any other County Departments, as necessary.
2. County Counsel and the Director of Planning report on a draft proposed ordinance for consideration by the Board, and recommendations to the Regional Planning Commission to appropriately regulate Maternity Hotels through zoning regulations.

Background

On February 5, 2013, the Board approved the Director of Regional Planning's recommendations for continued investigation of public complaints regarding Postpartum Recovery Homes known as "Maternity Hotels". The Board also directed the CEO to facilitate multi-agency inspections and provide quarterly reports on the status of the investigations. In follow-up to the Board's request to ensure that resources were available to assist multi-agency inspectors with translators, the CEO reported that a Mandarin-speaking District Attorney Investigator (DAI) was assigned to accompany the team on all investigations. This enhanced communication between tenants and the multi-agency team.

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Multi-Agency Inspections

The County multi-agency team, coordinated by the CEO and led by DRP, includes DPW, DPH, Fire, DAIs, Treasurer and Tax Collector (TTC) and DCFS. As the lead department for coordinating site visits, DRP has maintained a centralized log for each complaint that includes each department's inspection status and updates. DAI's accompanied the multi-agency team on all investigations, and one of the DAI's served as a Mandarin/Cantonese translator to communicate with occupants.

As of September 24, 2013, DRP has received complaints for 97 alleged Maternity Hotel operations. DRP attempted 94 inspections, and was able to obtain consent and gain access to complete 84 inspections. Twenty-eight locations, or 33 percent of the 84 locations inspected by DRP were confirmed as Maternity Hotels, and were cited for operating a boarding house in violation of Title 22 of the Los Angeles County Code (Planning and Zoning). Ninety of the 94 locations, where DRP attempted an inspection, are single-family residences located in single-family residential zones (including R-1, R-A, RPD, and A-1 zones).

The multi-agency team has closed 18, or approximately 64 percent of the 28 identified Maternity Hotel cases. The team will continue to investigate all outstanding cases and complaints. Attachment I includes a status of the overall case inspections. Attachment II provides detailed County departmental and outside agency reports related to the Board motion.

Draft Ordinance

DRP, with advice from County Counsel, conducted background research to determine if an amendment to Title 22 would enhance regulation and expand DRP's authority in addressing Maternity Hotels. Presently, the County Zoning Ordinance (Title 22 of the Los Angeles County Code) does not allow boarding houses to operate in a single-family residential zone where nearly all confirmed Maternity Hotels have been located. Because Maternity Hotels currently fall under the definition of boarding houses, DRP currently has the authority to issue notices of violation where Maternity Hotels are operating illegally in single-family residential areas. In terms of apartment complexes, they may be located in various types of zones, and the zoning requirements for any future complaints will be individually researched and inspected by DRP to determine if a zoning violation exists.

Other issues related to Maternity Hotels, including immigration, tax fraud, medical care, health, fire safety, building safety, etc., are within the regulating authority of, and have been referred to, other appropriate agencies. Some of these agencies are participants of the County's multi-agency team; others such as State and federal agencies, received referrals.

After evaluating the information from the outcomes of its inspections of alleged Maternity Hotel operations, DRP believes that a new zoning ordinance provision is unnecessary for three reasons: 1) nearly all of the suspected Maternity Hotels are located within single-family residential zones; 2) Maternity Hotels are already prohibited from operating in single-family residential zones under the existing boarding house provisions of Title 22; and 3) Title 22 regulates land use only, and the authority to regulate the other aspects of

Maternity Hotels is under the purview of other agencies, including those at the State and federal levels. In addition, amendments to Title 22 to further regulate Maternity Hotels could have the unintended effect of restricting or impacting other land uses, such as lawfully operating hotels, apartment buildings, boarding houses, and other shared living arrangements. Based on these factors, DRP proposes that no amendments be made to Title 22. DRP will continue to investigate complaints regarding Maternity Hotels utilizing their existing authority under Title 22, and will continue to initiate future inspections in conjunction with the County multi-agency team. Complaints beyond the scope of local zoning powers and the County's multi-agency team will continue to be referred to the appropriate State and federal agencies.

Conclusion

Based on the fact that the multi-agency team has been able to address Maternity Hotel issues under the County's authority, this will be the final CEO quarterly report. However, the County's multi-agency team will continue to address any remaining open cases, reconvene upon the receipt of any future complaints, and refer complaints to the appropriate State and federal agencies. The CEO is available to provide future case status updates upon the Board's request.

If you have any questions, please contact Rita Robinson at (213) 893-2477, or via email at rrobinson@ceo.lacounty.gov.

WTF:RLR
DSP:TH:acn

Attachments (2)

c: Executive Office, Board of Supervisors
County Counsel
Children and Family Services
District Attorney
Fire
Public Health
Public Social Services
Public Works
Regional Planning
Registrar-Recorder/County Clerk
Sheriff
Treasurer and Tax Collector
Federal Franchise Tax Board, Criminal Investigation Bureau
State Employment Development Department, Tax Branch Field Audit
and Compliance Division

MATERNITY HOTEL ACTIVE CASE STATUS

	Second Quarterly Report (July 16, 2013) (Based on inspections as of June 17, 2013)				Final Report (October 25, 2013) (Based on inspections as of September 9, 2013)				
	Maternity Hotel Confirmed	Maternity Hotel Cases Pending	Maternity Hotel Cases Closed	No Access onto Property	Maternity Hotel Confirmed	Maternity Hotel Cases Pending	Maternity Hotel Cases Closed	No Access onto Property	Total Active Cases
Unincorporated Community									
Rowland Heights	18	15	3	11	22	3	13	9	9
Hacienda Heights	6	3	3	0	6	0	5	0	1
East Pasadena/ East San Gabriel	0	0	0	0	0	0	0	0	0
South San Jose Hills/ Valinda	0	0	0	1	0	0	0	1	0
Total	24	18	6	12	28	3	18	10	10

o Maternity Hotel Confirmed: Number of locations inspected and a Maternity Hotel operation was confirmed.

o Maternity Hotel Cases Pending: Number of locations scheduled for inspection, but departments have not visited.

o Maternity Hotel Cases Closed: Number of locations that were confirmed Maternity Hotel operations and ceased operating and/or addressed code enforcement violations.

o No Access onto Property: Number of locations where inspections were attempted and either access was denied or no one answered the door.

o Total Active Cases: Number of locations where inspections were conducted, a Maternity Hotel was confirmed as operating, and code violations are outstanding.

COUNTY DEPARTMENT REPORTS ON MATERNITY HOTELS

Specific findings reported by participating County departments and other agencies are summarized as follows:

County Multi-Agency Code Enforcement Inspection Team

Department of Regional Planning (DRP)

DRP has received complaints regarding 97 locations of alleged Maternity Hotels operating within the County unincorporated areas. To date, DRP has attempted to inspect 94 properties, and has gained access to 84 properties.

As there is no land use classification specific to Maternity Hotels, DRP classifies this use as a boarding house, which is defined as a single-family residence wherein rooms are rented to five or more individuals. Ninety of the 94 locations inspected are single family residences located in single family residential zones (including R-1, R-A, RPD and A-1 zones) where boarding houses are prohibited. The remaining four complaint locations are located in zones that allow boarding houses (i.e., hotels, apartments).

DRP investigations identified 28 locations operating as Maternity Hotels in violation of the boarding house prohibition set forth in Title 22. Eighteen of these confirmed Maternity Hotel locations have ceased operations and those cases have been closed. Ten have continued to operate and enforcement will continue at these properties. There are three new complaints that are scheduled to be investigated, and ten locations where DRP has not gained access. DRP has closed a total of 74 enforcement cases including 18 Maternity Hotels, and 56 non-Maternity Hotel locations. DRP has referred any other code violations not related to Maternity Hotels, such as garage conversions or unpermitted second units to the zoning and building and safety inspectors assigned to the area for follow-up. DRP has not received any further complaints involving the Pheasant Ridge apartment complex located in Rowland Heights, which had been the focus of media attention and subject of previous complaints.

DRP will continue to initiate the multi-agency team investigations for open cases and new cases, and continue to refer complaints to the appropriate State and federal agencies.

Department of Public Works (DPW)

DPW began conducting inspections with the multi-agency team in January 2013. The most recent inspections were conducted with the multi-agency team during September 2013. DPW inspections were conducted in response to 97 Maternity Hotel complaints, resulting in 28 confirmed Maternity Hotels. Of these locations, 18 have since ceased operation and have complied with all Notices of Violation (NOVs) issued by DPW. The owners of the remaining 10 active open cases of confirmed Maternity Hotels were issued NOVs by DPW, and follow up inspections will continue to be scheduled until these cases are closed.

Although many of the inspections did not reveal that residences were being used as Maternity Hotels, NOV's were issued when code violations were discovered. DPW issued NOV's for unpermitted additions or alterations such as unpermitted electrical, plumbing, and mechanical work. These non-Maternity Hotel cases, solely involving building code violations, have been addressed independently by DPW. In general, the property owners have been cooperative.

DPW will continue to follow-up on scheduled inspections conducted by the multi-agency team until the Maternity Hotel cases are closed, as well as for sites where there was no access.

Department of Public Health (DPH)

DPH-Environmental Health (DPH-EH) inspectors attempted 94 investigations of alleged Maternity Hotel locations with the multi-agency team. During DPH's inspections, particular attention was paid to issues which may pose a threat to the public's health and safety such as: sanitation, sewage, refuse, illegal food service, and vermin. DPH was granted access to 82 properties, which resulted in the overall issuance of 33 NOV's. Of these NOV's, 27 were related to Maternity Hotels. Whenever a code violation was identified, DPH-EH issued a NOV to the property owner and when applicable, to the master lessee requesting that all violations be abated.

Per Los Angeles County Code (Title 11, Health and Safety Code), DPH-EH defines a boarding home as five or more unrelated occupants where sleeping or rooming accommodations are provided. Confirmed Maternity Hotel properties inspected by DPH were cited as operating a boarding home without a valid Public Health License.

To date, all non-Maternity Hotel violations have been abated, and 13 of the Maternity Hotel cases inspected by DPH-EH have been closed. The remaining 10 active cases will be re-inspected, and office hearings will be scheduled as part of the due process for those properties that remain out of compliance. DPH-EH will continue to participate with the multi-agency team until all of the remaining open cases, and any future complaints received are inspected and closed.

Fire Department

Although the Fire Department's role is limited, Fire Inspector's from the Schools and Institutions Unit have been present with the multi-agency team on scheduled inspections that included the 28 confirmed Maternity Hotels. Routine inspections are not required within the Fire Code for single-family dwellings, except for new construction, which requires the installation of sprinklers and hard-wired smoke detection systems. If the operation was a licensed Group Home or Adult Residential facility, based on the State of California Fire Marshal's Office requirements, the Fire Department would require additional safety measures.

The Fire Department has cited a few of the properties inspected for over grown vegetation in Fire Zones that require clearance. Fire Department Inspectors will continue to attend and perform inspections with the multi-agency team until all properties have been investigated and/or re-inspected and closed. The Fire Department used the opportunity to inform the tenants and/or responsible party of the importance of fire and life safety issues and what actions they can take to improve the safety conditions within these homes until these cases are closed.

Treasurer and Tax Collector (TTC)

The Business and Public Health License Section of TTC is responsible for the issuance of business licenses for businesses operating within the unincorporated areas of the County. As part of the multi-agency team, TTC was a participant in the inspections of alleged Maternity Hotels.

TTC identified 28 locations as confirmed Maternity Hotels operating as boarding houses without a Business License. Under Title 7, Section 7.50.010 of the Los Angeles County Code, a boarding home is defined as sleeping and living accommodations for five or more persons unrelated to the operator. The owners/occupants of the 28 properties illegally operating without a Business License were issued NOV's and advised to cease operations until they met the zoning requirements and obtained a Business License.

As of September 30, 2013, TTC did not receive any business license applications as a result of the NOV's. Upon re-inspection, TTC has closed cases for 17 confirmed Maternity Hotel locations. The Department will continue to participate with the multi-agency team until the locations have been re-inspected and the cases are closed.

District Attorney (DA)

The DA-Bureau of Investigations Division assigned two District Attorney Investigators (DAIs) to participate in the multi-agency team investigations. One of the DAIs is a certified bilingual (Chinese) speaker, who speaks both Mandarin and Cantonese dialects fluently. The DAIs are dressed in plainclothes, which has proven more successful in gaining the cooperation of the occupants of suspected locations. Accompanied with a Planning Inspector, the DAI makes the initial contact with the owner and/or tenants of the residence, often gaining cooperation due to their language skills.

DAIs are capable of handling law enforcement related duties, which free up local law enforcement resources. DAIs have participated in the inspection of 94 locations, and had contact with 93 Chinese speakers during initial inspections and re-inspections. Criminal activities were not observed during these inspections. There are no cases that warrant filing through the DA's Office at this time. The DAIs will be available to participate in inspections for the duration of these investigations and any future ongoing multi-agency team activities.

Other County Department Inspections and Reports

Department of Children and Family Services (DCFS)

During this quarter, DCFS continued to participate in the multi-agency team by assigning a caseworker from the DCFS Multi-Agency Response Team (MART) to the scheduled inspections. All available resources were used in support of this initiative including access to the Asian Pacific Islander Unit (APIU) multi-lingual Children Social Workers (CSWs) to provide translation as needed.

Due to the decrease in the number of complaints received during this reporting period as compared to the previous quarter, MART participated in three planned operations and did not identify any reportable child endangerment factors, and no new referrals were generated.

The only significant MART activity while accompanying the team occurred during the August 20, 2013 investigation. A home that was operating as a boarding house, but not classified as a Maternity Hotel, was cited for zoning violations. A four year old female was in the home, but no child endangerment or hazards were noted, and the child appeared healthy and well-cared for by her caregivers. A review of the DCFS Child Welfare Services/Case Management System (CWS/CMS) revealed no history or contact with DCFS. Therefore, no referral was generated. DCFS will continue to accompany the team and provide requested resources during the course of this initiative.

Department of Public Social Services (DPSS)

DPSS researched the 10 addresses of the remaining open cases that were confirmed as operating Maternity Hotels to determine if any benefits issued by DPSS were obtained illegally. DPSS determined that there were Medi-Cal recipients residing at three of the Maternity Hotel addresses. Based on eligibility criteria which examines household composition, income limits, immigration status, case comments and California residency, an assessment indicated that all aided individuals were found eligible to receive their assigned benefits, and there was no clear evidence of fraud. Previous to this report,

DPSS researched all of the overall confirmed Maternity Hotel cases. DPSS will continue to research future addresses reported by DRP as confirmed Maternity Hotels to determine if eligibility requirements have been followed by the occupants.

Sheriff's Department

The Sheriff's Department received one call for service through the Crime Stoppers Tip Hotline reporting a burglary at a location that had been previously identified as a Maternity Hotel, but the case had been closed. The incident was investigated at the station level as part of a tax/fraud investigation unrelated to Maternity Hotel issues and no Maternity Hotel activity was observed. Other than this call, the Sheriff's Department did not receive any calls for service related to Maternity Hotels, nor did the Sheriff's Department assist with

any other investigations. As previously reported, it has been more effective to utilize non-uniformed DAI's as the law enforcement presence on multi-agency inspections. This allows for Sheriff's Department resources to be utilized elsewhere. The Sheriff's Department is available to provide support and respond when needed.

Registrar-Recorder/County Clerk (RR/CC)

RR/CC has reviewed the issues surrounding Maternity Hotels and determined that there is not a direct role with the on-site investigations or fraud involving the processing and application of birth certificates of newborns or applications for a Fictitious Business Name.

Referrals to Other Agencies

Per the instructions within the motion, DRP has shared locations of confirmed Maternity Hotels and other relevant details, with other agencies such as the Criminal Investigation Bureau of the State Franchise Tax Board, the Tax Branch Field Audit and Compliance Division of the State Employment Development Department, the Identify Theft and Economic Crime Task Force Branch of the Federal Internal Revenue Service, and the Federal Bureau of Investigation. All of the above mentioned agencies report that due to the confidential nature of their reports, they are unable to disclose the status of their investigations. DRP will continue to share information with these agencies as it is obtained.